

# Tracker Survey 2016

## Briefing note: how consumers are using legal services

### Key findings:

- Six years of findings have shown that...
- Consumers are increasingly turning to private funding, it is now the norm in 66% of cases, and use of legal aid has declined by 4% since 2014.
- Email and online service delivery is used by one in four consumers, most frequently when dealing with licensed conveyancers and solicitors.
- Unbundling legal services is still done by one in five consumers, no increase since 2014.
- Satisfaction with service remains high at 80%, however services delivered remotely tend to dip below this.
- Satisfaction remains lower for those from a BME background compared to those from a white British background, which is consistent with previous waves of this research.
- The number of silent sufferers, people who had a complaint but did nothing about it, has dropped from 42% in 2015 to 35% in 2016. This remains higher than the average across other regulated sectors of 25%.

### Note on methodology:

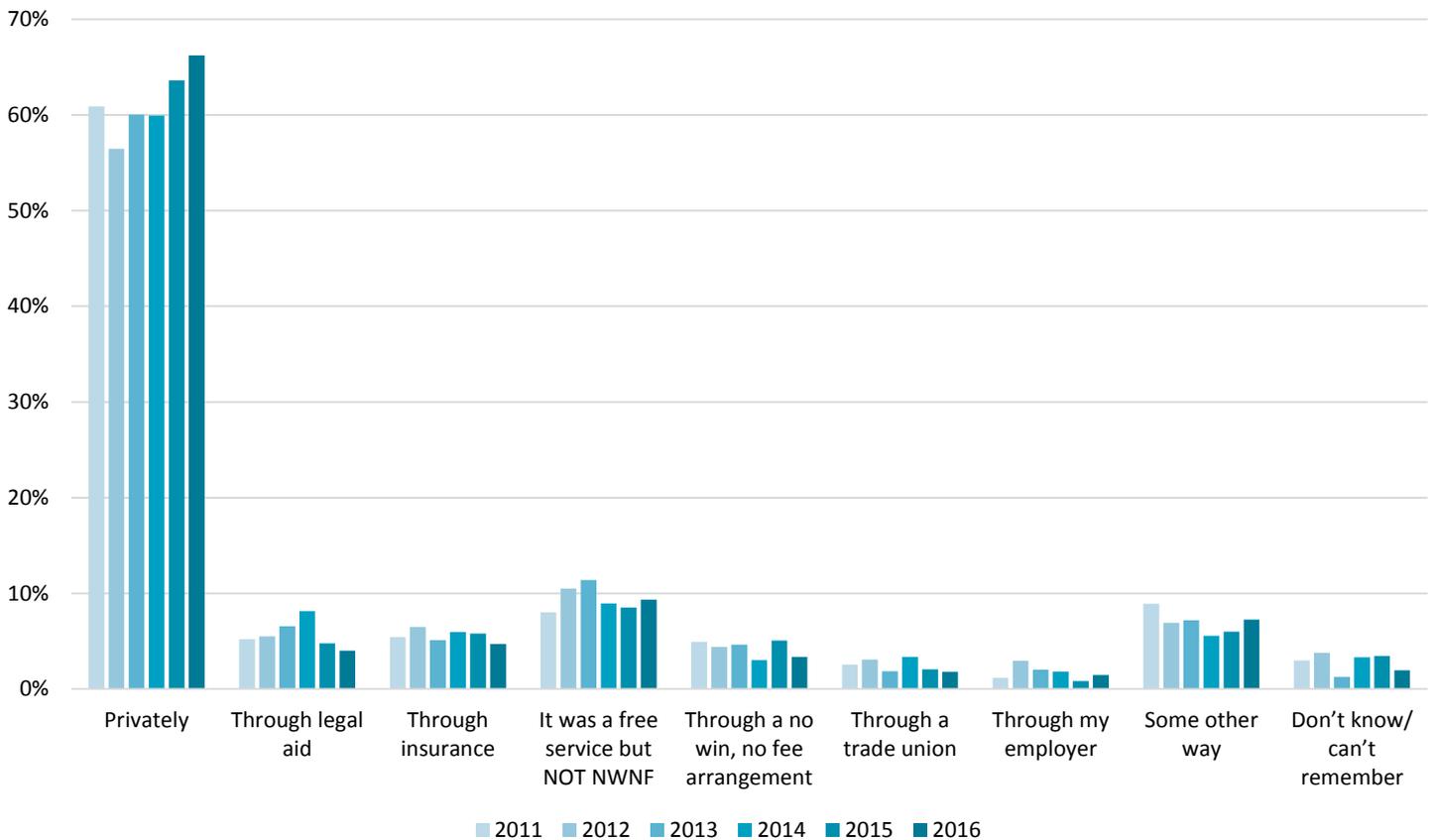
*For the last six years the Panel has commissioned YouGov to conduct an annual survey in two parts: a nationally representative sample (1,864 adults); and a sample of people who have used legal services in the last two years (1,523 adults). Booster samples were obtained for Wales and BME groups. All the figures have been weighted and are representative of all GB adults (aged 18+). The results have been tested to the 95% confidence level – we are 95% confident that these findings are not due to chance. Fieldwork took place during 12 February to 4 March 2016.*

## Methods of funding

The Tracker Survey suggests that more consumers are now relying on private funding for their legal services. 66% of consumers privately funded their legal action in 2016. Data from the Legal Services Board’s recent survey on individual legal needs suggests that of those who paid for their legal services themselves, 57% relied on savings, 36% relied on their regular income/salary, and 5% relied on borrowing from family and friends.<sup>1</sup>

The different areas of law lend themselves to particular funding arrangements and have done so consistently over the years. For example, personal injury is most likely to be funded by insurance (48%) or through a no win no fee arrangement (24%). Conveyancing, power of attorney and will-writing are most likely to be privately funded, whereas family and immigration are more likely than other areas to be provided free of service (but not no win no fee).

Last year we saw a decline in the use of legal aid from a high in 2014 of 8% to 5% in 2015, and that has decreased again to 4%. This suggests that last year’s data was not an anomaly, though it is unclear whether this is due changes in legal aid policy in recent years leading to less availability, or lower awareness of what is available leading to low use. In looking at the demographics, 9% from a BME group used legal aid, compared to just 2% of those from a white background. Similarly, BME groups were more likely to use a free service (15%) than those from a white background (7%).



<sup>1</sup> Individual Legal Needs Survey, Legal Services Board, 2016

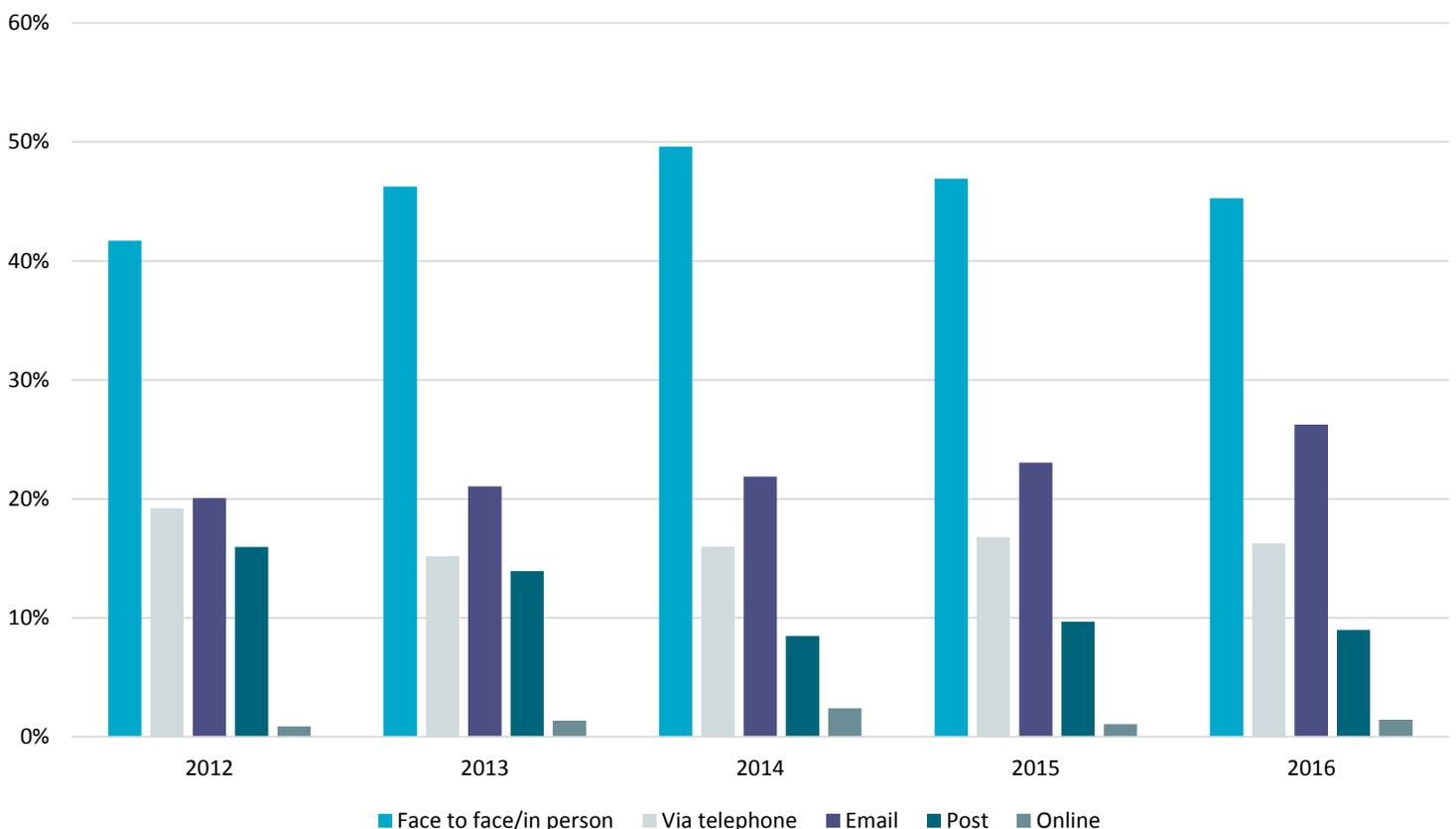
## Delivery of legal services

How services are delivered reflects changes in consumer expectation and service developments. While face to face advice remains the most common channel for delivering legal advice, we are seeing a slight decline here as the use of email/online services increases.

Different areas of law tend to use different methods of delivery. For example, will-writing is most likely to be done face to face (80%) which may reflect the older demographics who are most likely to use this service, and are also likely to highly value a local office when choosing a provider (71%). Personal injury (17%) and conveyancing (23%) were unlikely to be dealt with face to face, instead favouring telephone (personal injury: 33%) and email (conveyancing: 48%).

Looking across the professions, notaries and barristers were most likely to provide face to face advice (81% and 63% respectively), and licensed conveyancers and solicitors were the most likely to be used via email/internet services (43% and 26% respectively).

Breaking down by demographics, ABC1s are more likely to use email/internet (29%) than C2DEs (18%). There are no significant discrepancies among ethnic groups that did not reflect the proportionate use by area of law. For example, Chinese were far more likely to have used email or internet than any other group, but they were also most likely to have responded to the survey in relation to having used conveyancing services which were typically provided by email or internet.

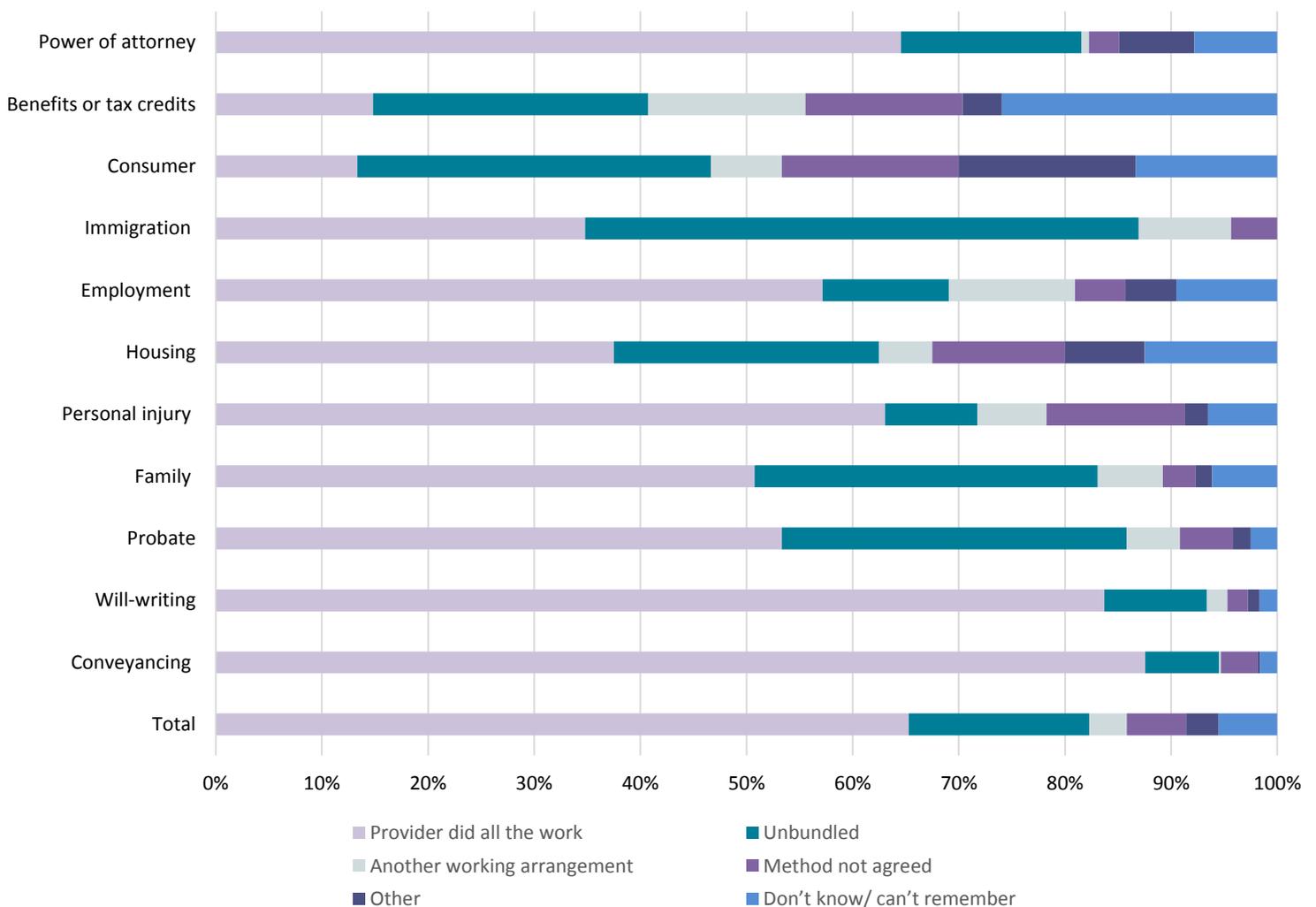


## Unbundling

In 2014 we started to measure how consumers were being involved in the delivery of their legal service – whether they left it to the professionals, or whether they felt they could take on part of the work themselves. We call this unbundling, where the lawyer and the client split the work between them. This can make legal services more affordable for those who are able to do this. Since we started measuring this, it has held steady at around one in five consumers taking on some of the work themselves.

It should be highlighted that this question is limited by the accuracy of the respondent’s answer to the question, particularly as business models vary and unbundling happens by degrees. We also know from our own research that unbundling tends to be suited to those consumers who are skilled and confident and emotionally objective to be able to carry out their part.<sup>2</sup>

Unbundling appears to be focused in a few areas of law as the chart below demonstrates, mostly in immigration (52%), probate (33%), consumer disputes (33%) and family (32%). The provider is likely to do most of the work in conveyancing and will-writing.



<sup>2</sup> Ipsos MORI, Qualitative research exploring experiences and perceptions of unbundled legal services, 2015

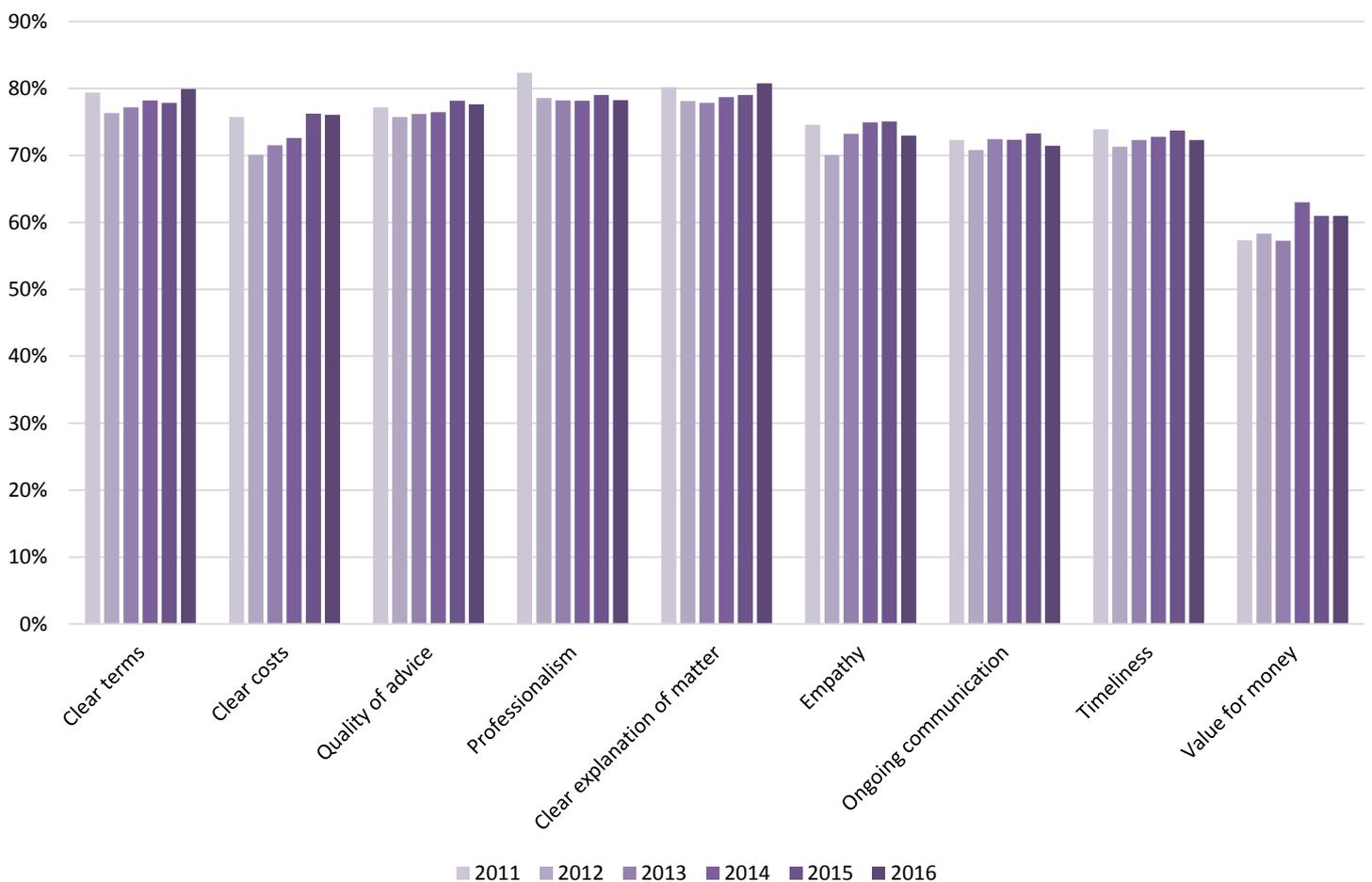
## Service elements

Overall satisfaction with service remains high at 80%, a similar level to previous waves of this research. Looking at the various elements of service provision, there have been some positive improvements across areas such as clarity of costs, perceived value for money, and being treated as an individual. There have been no significant increases or decreases elsewhere.

Value for money has been consistently lower than other elements since the Tracker Survey was started, standing at 61% this year. Views about value for money vary according to how legal work was funded. Those whose service was funded by a trade union (75%), was free (70%) or covered by insurance (64%) or legal aid (63%) perceived better value for money than those who had a no win no fee agreement (57%), their employer paid for it (56%), or who paid for it privately (61%).

There are variations by area of law: service satisfaction tends to be higher where a service is usually delivered face to face, for example will writing is at 93%. Services delivered remotely, either by telephone or email/internet, scored lower: conveyancing is at 77%. Across the board, consumers based in London were less satisfied than those from any other areas (the rest of South England, Midlands and Wales, North).

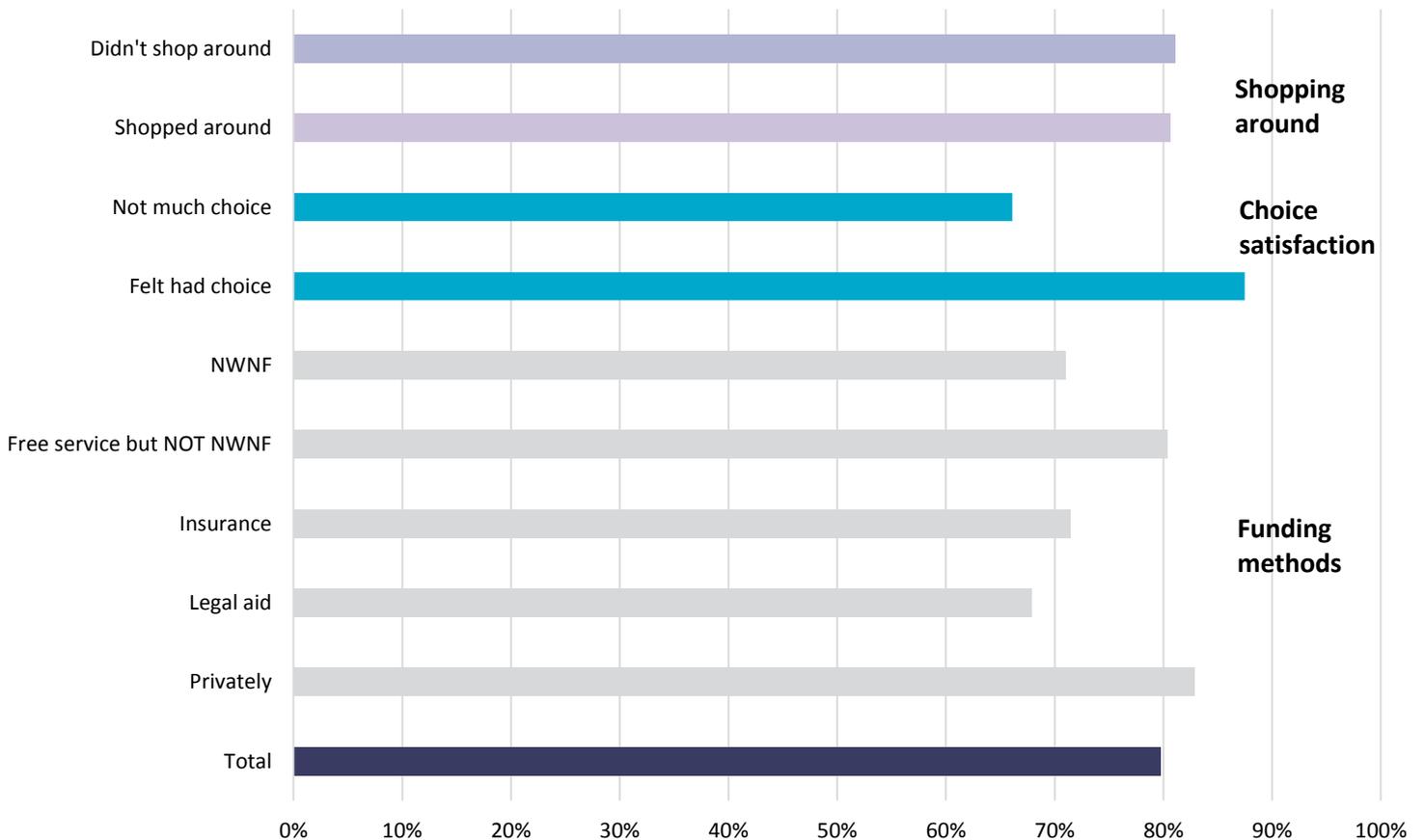
Demographically, those from a BME group are consistently less satisfied with each element than those from a white background, although for each aspect the majority are satisfied. The same applies for those in the C2DE group.



## Possible influences on service satisfaction

Looking at the different elements of service we can see whether there are any wider influences on levels of satisfaction.

A closer analysis suggests shopping around may not have much impact on levels of satisfaction, but those who felt limited in their choice were less satisfied with the service. In looking at funding, those who paid for the service themselves or received a free service were more likely to be satisfied than those who relied on legal aid, insurance or a no win no fee arrangement.

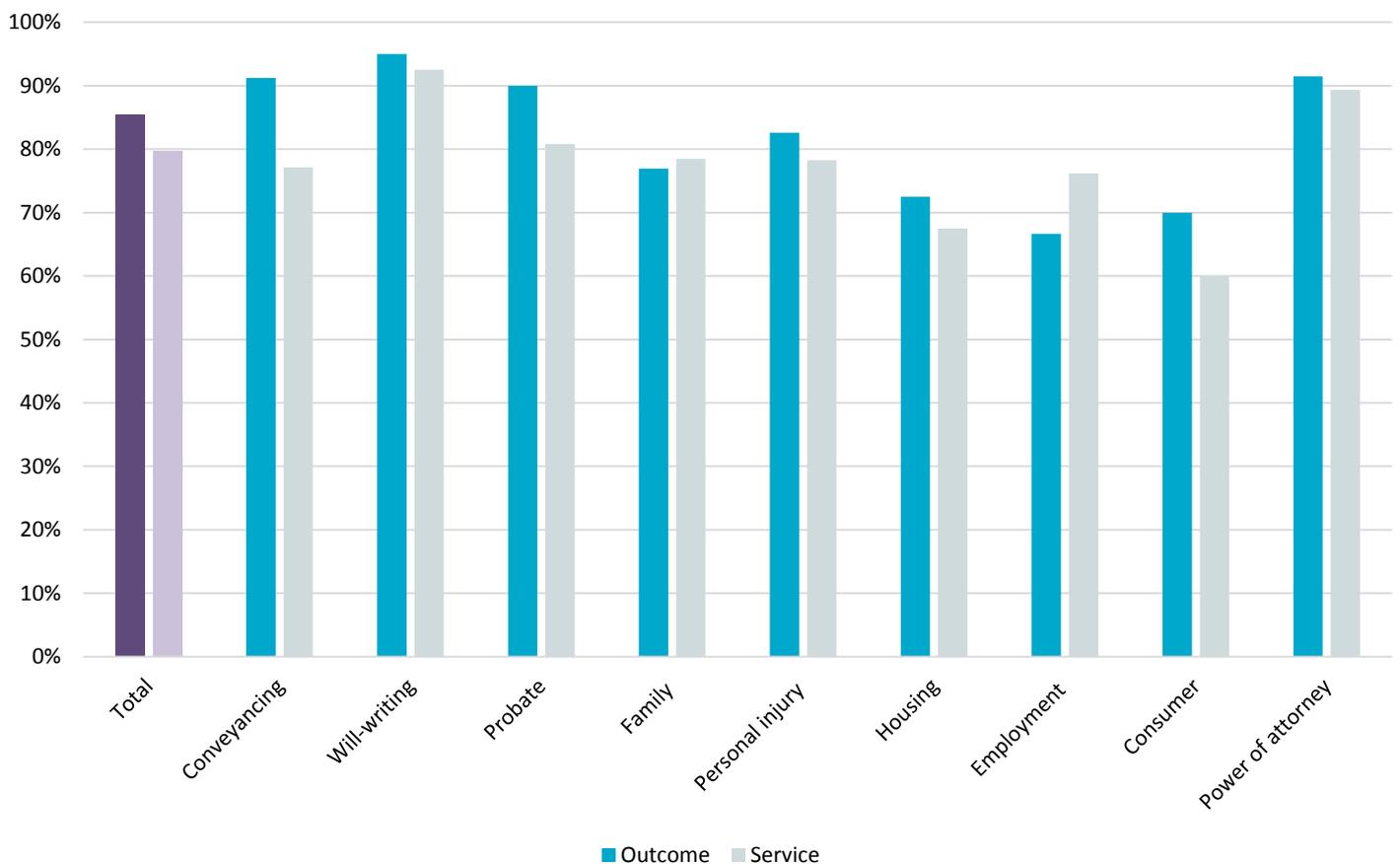


## Outcome satisfaction

In addition to looking at consumer satisfaction with service, the Panel asks about satisfaction with the outcome of the legal matter. Since the Tracker Survey was started, this figure has remained consistently high, this year at 85%.

It is to be expected that between the different areas of law, satisfaction with the outcome will be closely tied to the extent to which there is a clear 'winner' or 'loser', as compared to more transactional processes such as will-writing or power of attorney. However the nature of the service can also lead to gaps between satisfaction with service and satisfaction with outcome. For example, in conveyancing, there is a significant gap between service satisfaction (77%) and outcome satisfaction (91%), which has been a persistent feature of the market over the years.

In terms of demographic differences, ABC1 were more satisfied (87%) with the outcome than C2DE (82%), and White British were more likely to be satisfied (89%) than BME groups (77%). There were also some discrepancies between age groups: older users over 55 years were most likely to be satisfied with the outcome (85%) than younger users, in the 25-35 year age group satisfaction was at 75%.

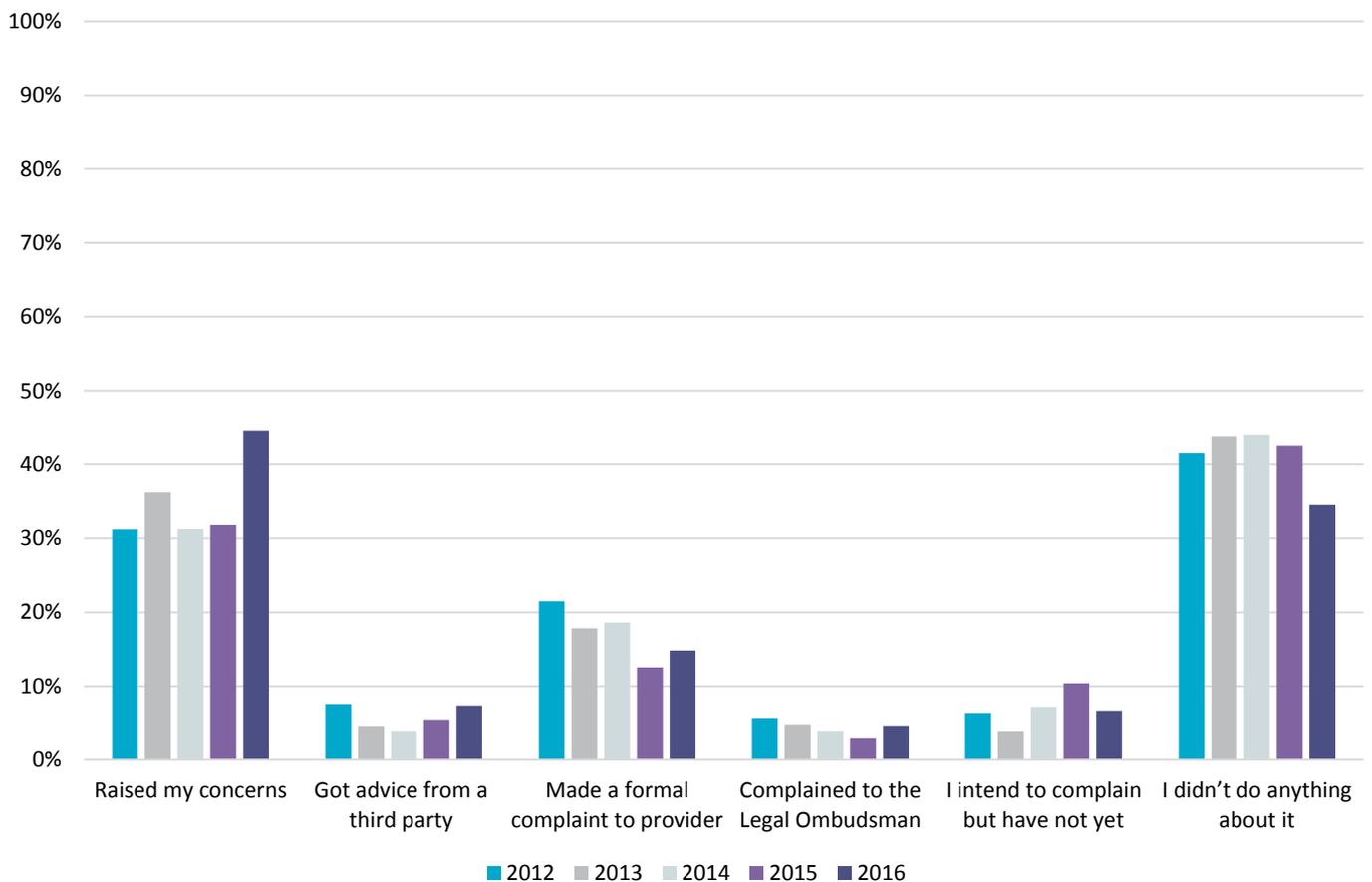


## Complaints behaviour

The Tracker Survey looks at public confidence in complaining about a variety of service providers, including lawyers. Confidence in complaining about lawyers (43%) is lower than confidence complaining about supermarkets (67%), banks (52%) and mobile phone companies (47%).

There is significant variance between social grades ABC1 (47%) and C2DE (35%), but less so between white British (44%) and BME groups (40%). This level of confidence is affected by knowledge: those with greater knowledge of what lawyers do are more confident in complaining (55%) than those with limited or no knowledge (31%).

Public awareness levels of the Legal Ombudsman, the dispute resolution body for legal services, is currently at a high of 68%, an improvement over time (2012: 64%). The number of people who had a complaint but did nothing, 'silent sufferers', has dropped from 42% in 2015 to 35% this year. This is a big step change compared to previous years and it is possible that this is an anomaly, as such we will have to wait to see what the 2017 Tracker Survey data reveals. Otherwise this is a positive step, bringing it closer in line with the average across other sectors which stands at around 25%.<sup>3</sup>



<sup>3</sup> UK Customer Satisfaction Index, The Institute of Customer Service, 2016